

AMENDED IN ASSEMBLY JUNE 5, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 1567

Introduced by Assembly Member Runner

February 23, 2001

An act to amend Section 33413 of the Health and Safety Code, relating to redevelopment.

LEGISLATIVE COUNSEL'S DIGEST

AB 1567, as amended, Runner. Redevelopment.

The Community Redevelopment Law requires redevelopment agencies to provide a certain percentage of affordable replacement housing, as specified, in place of housing destroyed or removed as part of a redevelopment project and, until January 1, 2002, allows that requirement to be satisfied by the acquisition of certain long-term affordability covenants on multifamily units. ~~Existing law prescribes criteria relative to the affordability of mobilehome park rents for purposes of certain loans to tax-exempt organizations.~~

~~This bill would apply those mobilehome park affordability criteria to a determination of affordable housing cost for mobilehome parks for purposes of those provisions relating to replacement housing, and would include certain mobilehome parks within those provisions relating to acquisition of affordability covenants, and would prescribe additional criteria relative to mobilehome park affordability covenants.~~ The bill would extend the operation of those provisions until January 1, 2003.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 33413 of the Health and Safety Code,
2 as amended by Section 2 of Chapter 756 of the Statutes of 2000,
3 is amended to read:

4 33413. (a) Whenever dwelling units housing persons and
5 families of low or moderate income are destroyed or removed
6 from the low- and moderate-income housing market as part of a
7 redevelopment project that is subject to a written agreement with
8 the agency or where financial assistance has been provided by the
9 agency, the agency shall, within four years of the destruction or
10 removal, rehabilitate, develop, or construct, or cause to be
11 rehabilitated, developed, or constructed, for rental or sale to
12 persons and families of low or moderate income, an equal number
13 of replacement dwelling units that have an equal or greater number
14 of bedrooms as those destroyed or removed units at affordable
15 housing costs within the territorial jurisdiction of the agency.
16 When dwelling units are destroyed or removed after September 1,
17 1989, 75 percent of the replacement dwelling units shall replace
18 dwelling units available at affordable housing cost in the same
19 income level of very low income households, lower income
20 households, and persons and families of low and moderate income,
21 as the persons displaced from those destroyed or removed units.

22 (b) (1) At least 30 percent of all new and substantially
23 rehabilitated dwelling units developed by an agency shall be
24 available at affordable housing cost to persons and families of low
25 or moderate income. Not less than 50 percent of the dwelling units
26 required to be available at affordable housing cost to persons and
27 families of low or moderate income shall be available at affordable
28 housing cost to, and occupied by, very low income households.

29 (2) (A) (i) At least 15 percent of all new and substantially
30 rehabilitated dwelling units developed within a project area under
31 the jurisdiction of an agency by public or private entities or persons
32 other than the agency shall be available at affordable housing cost
33 to persons and families of low or moderate income. Not less than
34 40 percent of the dwelling units required to be available at
35 affordable housing cost to persons and families of low or moderate
36 income shall be available at affordable housing cost to very low
37 income households.



1 (ii) To satisfy the provisions of this paragraph, in whole or in
2 part, the agency may cause, by regulation or agreement, to be
3 available, at affordable housing costs, to persons and families of
4 low or moderate income or to very low income households, as
5 applicable, two units outside a project area for each unit that
6 otherwise would have had to be available inside a project area.

7 (iii) As used in this paragraph and in paragraph (1),
8 “substantially rehabilitated dwelling units” means substantially
9 rehabilitated multifamily rented dwelling units with three or more
10 units or substantially rehabilitated, with agency assistance,
11 single-family dwelling units with one or two units.

12 (iv) As used in this paragraph and in paragraph (1),
13 “substantial rehabilitation” means rehabilitation, the value of
14 which constitutes 25 percent of the after rehabilitation value of the
15 dwelling, inclusive of the land value.

16 (v) To satisfy the provisions of this paragraph, the agency may
17 aggregate new or substantially rehabilitated dwelling units in one
18 or more project areas, if the agency finds, based on substantial
19 evidence, after a public hearing, that the aggregation will not cause
20 or exacerbate racial, ethnic, or economic segregation.

21 (B) To satisfy the requirements of paragraph (1) and
22 subparagraph (A), the agency may purchase, or otherwise acquire
23 or cause by regulation or agreement the purchase or other
24 acquisition of, long-term affordability covenants on multifamily
25 units, including mobilehome parks in which residents rent spaces
26 and either rent or own the mobilehome occupying their spaces, that
27 restrict the cost of renting or purchasing those units that either: (i)
28 are not presently available at affordable housing cost to persons
29 and families of low or very low income households, as applicable;
30 or (ii) are units that are presently available at affordable housing
31 cost to this same group of persons or families, but are units that the
32 agency finds, based upon substantial evidence, after a public
33 hearing, cannot reasonably be expected to remain affordable to
34 this same group of persons or families. As used in this
35 subparagraph, affordable housing cost with respect to
36 ~~mobilehome parks shall be determined as provided in clause (ii)~~
37 ~~of subparagraph (B) of paragraph (1) of subdivision (a) of Section~~
38 ~~33742. mobilehome parks shall be determined in the same manner~~
39 ~~as with respect to other multifamily rental housing. The long-term~~
40 ~~affordability covenants with respect to a mobilehome park shall~~



1 *include a provision that space rents shall not be increased in a*
2 *manner that results in the displacement of any tenants residing*
3 *within the mobilehome park at the time of the acquisition of the*
4 *mobilehome park by the agency or nonprofit corporation. The*
5 *long-term affordability covenants with respect to a mobilehome*
6 *park shall have a term expiring on the later of (I) the expiration of*
7 *the land use controls established in the redevelopment plan, or (II)*
8 *30 years.*

9 (C) To satisfy the requirements of paragraph (1) and
10 subparagraph (A), the long-term affordability covenants
11 purchased or otherwise acquired pursuant to subparagraph (B)
12 shall be required to be maintained on dwelling units at affordable
13 housing cost for not less than 30 years. Not more than 50 percent
14 of the units made available pursuant to paragraph (1) and
15 subparagraph (A) may be assisted through the purchase or
16 acquisition of long-term affordability covenants pursuant to
17 subparagraph (B). Not less than 50 percent of the units made
18 available through the purchase or acquisition of long-term
19 affordability covenants pursuant to subparagraph (B) shall be
20 available at affordable housing cost to, and occupied by, very low
21 income households.

22 (3) The requirements of this subdivision shall apply
23 independently of the requirements of subdivision (a). The
24 requirements of this subdivision shall apply, in the aggregate, to
25 housing made available pursuant to paragraphs (1) and (2),
26 respectively, and not to each individual case of rehabilitation,
27 development, or construction of dwelling units, unless an agency
28 determines otherwise.

29 (4) Each redevelopment agency, as part of the implementation
30 plan required by Section 33490, shall adopt a plan to comply with
31 the requirements of this subdivision for each project area. The plan
32 shall be consistent with, and may be included within, the
33 community's housing element. The plan shall be reviewed and, if
34 necessary, amended at least every five years in conjunction with
35 either the housing element cycle or the plan implementation cycle.
36 The plan shall ensure that the requirements of this subdivision are
37 met every 10 years. If the requirements of this subdivision are not
38 met by the end of each 10-year period, the agency shall meet these
39 goals on an annual basis until the requirements for the 10-year
40 period are met. If the agency has exceeded the requirements within



1 the 10-year period, the agency may count the units that exceed the
2 requirement in order to meet the requirements during the next
3 10-year period. The plan shall contain the contents required by
4 paragraphs (2) and (3) of subdivision (a) of Section 33490.

5 (c) The agency shall require that the aggregate number of
6 replacement dwelling units and other dwelling units rehabilitated,
7 developed, constructed, or price-restricted pursuant to subdivision
8 (a) or (b) remain available at affordable housing cost to persons
9 and families of low-income, moderate-income, and very low
10 income households, respectively, for the longest feasible time, as
11 determined by the agency, but for not less than the period of the
12 land use controls established in the redevelopment plan, except for
13 the following:

14 (1) A longer period of time may be required by other provisions
15 of law.

16 (2) (A) The agency may permit sales of owner-occupied units
17 prior to the expiration of the period of the land use controls
18 established by the agency for a price in excess of that otherwise
19 permitted under this subdivision pursuant to an adopted program
20 which protects the agency's investment of moneys from the Low
21 and Moderate Income Housing Fund, including, but not limited to,
22 an equity sharing program that establishes a schedule of equity
23 sharing that permits retention by the seller of a portion of those
24 excess proceeds, based on the length of occupancy. The remainder
25 of the excess proceeds of the sale shall be allocated to the agency,
26 and deposited into the Low and Moderate Income Housing Fund.
27 The agency shall, within three years from the date of sale of units
28 under this subparagraph, expend funds to make affordable an
29 equal number of units at the same income level as units sold under
30 this subparagraph.

31 (B) If land on which those dwelling units are located is deleted
32 from the project area, the agency shall continue to require that
33 those units remain affordable as specified in this subdivision. The
34 requirements of this subdivision shall be made enforceable in the
35 same manner as provided in subdivision (f) of Section 33334.3.

36 (d) (1) This section applies only to redevelopment projects for
37 which a final redevelopment plan is adopted pursuant to Article 5
38 (commencing with Section 33360) on or after January 1, 1976, and
39 to areas that are added to a project area by amendment to a final
40 redevelopment plan adopted on or after January 1, 1976. In



1 addition, subdivision (a) shall apply to any other redevelopment
2 project with respect to dwelling units destroyed or removed from
3 the low- and moderate-income housing market on or after January
4 1, 1996, irrespective of the date of adoption of a final
5 redevelopment plan or an amendment to a final redevelopment
6 plan adding areas to a project area. Additionally, any agency may,
7 by resolution, elect to make all or part of the requirements of this
8 section applicable to any redevelopment project of the agency for
9 which the final redevelopment plan was adopted prior to January
10 1, 1976.

11 (2) An agency may, by resolution, elect to require that
12 whenever dwelling units housing persons or families of low or
13 moderate income are destroyed or removed from the low- and
14 moderate-income housing market as part of a redevelopment
15 project, the agency shall replace each dwelling unit with up to three
16 replacement dwelling units pursuant to subdivision (a).

17 (e) Except as otherwise authorized by law, this section does not
18 authorize an agency to operate a rental housing development
19 beyond the period reasonably necessary to sell or lease the housing
20 development.

21 (f) Notwithstanding subdivision (a), the agency may replace
22 destroyed or removed dwelling units with a fewer number of
23 replacement dwelling units if the replacement dwelling units meet
24 both of the following criteria:

25 (1) The total number of bedrooms in the replacement dwelling
26 units equals or exceeds the number of bedrooms in the destroyed
27 or removed units. Destroyed or removed units having one or no
28 bedroom are deemed for this purpose to have one bedroom.

29 (2) The replacement units are affordable to the same income
30 level of households as the destroyed or removed units.

31 (g) "Longest feasible time," as used in this section, includes,
32 but is not limited to, unlimited duration.

33 (h) This section shall remain in effect only until January 1,
34 2003, and as of that date is repealed, unless a later enacted statute,
35 that is enacted before January 1, 2003, deletes or extends that date.

